Overseas territories: new law enforcement of the ‘Lurel law’ on exclusive import agreements

Published on October 08, 2019

The Autorité de la concurrence hands down fines to Procter & Gamble, Coty and Chanel and their wholesale importers for having set up exclusive import agreements.

The Lurel Law of 20 November 2012 prohibits exclusive import agreements to the French overseas territories.

Procter & Gamble, Coty and Chanel and their wholesale importers maintained or established, after the entry into force of the Lurel Law, exclusive importation for the distribution of perfumes and cosmetic products in Guadeloupe, Martinique, French Guiana and La Réunion.

These practices hindered the growth of competing wholesale importers and deprived retailers of access to competing wholesalers for their supplies of perfumes and cosmetics. They resulted in increased costs for retailers and, consequently, the prices of perfumes and cosmetics for consumers in French overseas territories.

In the light of these details, the Autorité handed down fines totalling €176 000.